

County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

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April 20, 2006

Board of Supervisors GLORIA MOLINA First District

YVONNE B. BURKE Second District

ZEV YAROSLAVSKY Third District

DON KNABE Fourth District

MICHAEL D. ANTONOVICH Fifth District

To:

Mayor Michael D. Antonovich

Supervisor Gloria Molina Supervisor Yvonne B. Burke Supervisor Zev Yaroslavsky

Supervisor Don Knabe

From:

David E. Jansser

Chief Administrative Office

SACRAMENTO UPDATE

Pursuit of County Position on Legislation

AB 32 (Pavley), as amended on August 15, 2005, would establish greenhouse gas emission caps and require reporting of greenhouse gas emissions from major sources in California.

Existing law requires the Secretary of the Resources Agency to establish the California Climate Action Registry (registry) as a public benefit nonprofit corporation. Existing law requires the registry to perform various functions, including, among other things, the adoption of procedures and protocols for the reporting and certification of greenhouse gas emissions reductions resulting from a project or an action of a participant in the registry.

AB 32 would revise the functions and duties of the registry by requiring it to adopt specified procedures and protocols for monitoring, estimating, calculating, reporting, and certifying greenhouse gas emissions resulting from specified industrial sectors. The bill would require the registry to coordinate with State agencies to promote the development of harmonized reporting standards, and would require coordination with other states and regions to ensure that businesses and organizations operating both in California and out of state follow uniform protocols when reporting to multiple registries, states, or regions.

AB 32 would also enact the California Climate Act of 2006 to require the Secretary of the California Environmental Protection Agency to institute a cap on greenhouse gas emissions from the electrical power, industrial, and commercial sectors of the economy, institute a schedule of emissions reductions for specified entities, develop an enforcement mechanism for reducing greenhouse gas emissions to the target level, and establish a program to track and report greenhouse gas emissions and to monitor and enforce compliance with the

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greenhouse gas emissions caps. The Secretary would be required to submit a detailed plan to achieve the greenhouse gas emissions cap to the Governor and the Legislature by January 1, 2008, and annually thereafter, on the progress toward meeting the greenhouse gas emissions cap. Furthermore, AB 32 would set standards for the schedule of greenhouse gas emissions reductions, and would require, by regulation, any entity subject to the greenhouse gas emissions cap to be prohibited from meeting those obligations using emissions reductions achieved outside the scope of the greenhouse gas emissions cap.

The Department of Regional Planning (DRP) indicates that the goals of AB 32 are to expand on policies and procedures already in place, to facilitate voluntary recordation of greenhouse gas emissions, and reduce their production. DRP indicates that AB 32 is consistent with the County's adopted General Plan policies to improve air quality and reduce greenhouse gas emissions and would have a minimal operational and fiscal impact on the County since State agencies are primarily charged with the implementation of the bill's requirements. DRP further indicates that implementing AB 32 along with the General Plan will result in a built environment characterized by less sprawl, more transit-oriented development, transportation alternatives, shorter distances between jobs and housing, and improved public health. DRP indicates that AB 32 will have a positive impact on the region's air quality, and therefore recommends that the County support the bill.

Support for AB 32 is consistent with existing policy to support AB 1058 (Pavley) of 2002, similar legislation which would have required the California Air Resources Board to develop regulations to achieve the maximum feasible and cost-effective reduction in greenhouse gas emissions from motor vehicles whose primary use is noncommercial personal transportation. Support for AB 32 is also consistent with several provisions of the County's Adopted General Plan, including Policies 12, 19, 25 and 65 related to air quality under General Goals and Policies, Policy 20 related to air quality under the Circulation Element, and Policies 1 and 2 related to air quality under the Conservation, Open Space and Recreation Element. Therefore, our Sacramento advocates will support AB 32.

AB 32 is currently in the Senate Environmental Quality Committee awaiting a hearing date. This measure is sponsored by the Natural Resources Defense Counsel and is supported by the South Coast Air Quality Management District. There is no known opposition at this time.

AB 3042 (Evans), as introduced, would provide an additional procedure by which a city or county may enter into an agreement to transfer a percentage of its share of the regional housing needs to another city or county.

Existing law requires each city, county, and city and county to adopt a general plan that includes a housing element to address the regional housing needs of the city or county. Existing law exempts the City of Industry from adopting a Housing Element that would otherwise require the City to provide new housing and its share of regional housing needs, if

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it transfers 20 percent of the City's total tax increment revenue that is required to be setaside for low-and moderate-income housing (LMIH) to the Housing Authority of the County of Los Angeles (HACoLA) to administer low-and moderate-income housing.

HACoLA currently has authority over the allocation and approval of the City's LMIH funds, which are used for the development of affordable housing for low-and moderate-income households within a 15-mile radius of the City of Industry. Existing law also authorizes contiguous redevelopment agencies located within adjoining cities in a Metropolitan Statistical Area to create and participate in a joint powers authority in order to pool their LMIH funds for affordable housing until January 1, 2010.

AB 3042 would authorize a city or county to transfer a percentage of its share of the regional housing needs to another city or county in the same council of governments region if the transfer is consistent with any adopted regional growth plan or regional blueprint. The funds must be used in the receiving agency's jurisdiction for lower income housing. The California Department of Housing and Community Development would evaluate the status of allocated units for five years following the transfer. Any city or county that accepts a portion of another jurisdiction's regional housing needs assessment and adds those units to its land inventory would receive a priority for funding from the council of governments for discretionary housing or infrastructure funds which become available to the council of governments on or after June 1, 2006.

HACoLA indicates that AB 3042 may impact their authority over the allocation and approval of the LMIH funds, if the City of Industry qualifies as a transferring city. AB 3042 could allow the City of Industry to direct all or a portion of its LMIH tax increment funds to be administered and allocated by another city, rather than HACoLA, or to a redevelopment agency within "the region". This would allow the City to abrogate its commitment under the original 1992 legislation and transfer the bulk of its affordable housing obligations outside of its jurisdiction while retaining access and control over the housing set-aside funds. HACoLA could lose the minimum 10 percent of administrative costs on the \$12 million to 14 million that could be transferred by the City. HACoLA relies upon such funds to complete the construction or monitor the 141 projects that have received Industry Fund LMIH allocations. Therefore, HACoLA recommends that the County oppose AB 3042, unless amended to exclude the City of Industry, and we concur.

Opposition to AB 3042 is consistent with existing policy to oppose legislation that would jeopardize the transfer of the City of Industry Tax Increment Housing Set-Aside funds to HACoLA. Therefore, our Sacramento advocates will oppose AB 3042, unless amended to exclude the City of Industry.

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AB 3042 is currently set for hearing on Wednesday, May 3, 2006 in the Assembly Local Government Committee. This measure is sponsored by the League of California Cities. There is no other known support or opposition at this time.

Status of County-Interest Legislation

County-opposed AB 2346 (Oropeza) which would establish the Harbor District Development Authority in the City of Los Angeles and authorize the City, by resolution, to designate the Los Angeles Board of Harbor Commissioners as the redevelopment agency for the Los Angeles Harbor District, was amended on April 17, 2006 to replace this approach with provisions that authorize an infrastructure financing district for the Harbor. Unlike redevelopment law, infrastructure financing districts require the consent of taxing entities, such as the County, regarding the use of tax increment revenues. Because the County would no longer be at-risk for the loss of its tax revenues without its agreement, our Sacramento advocates will take no position on AB 2346. The bill is scheduled to be heard by the Assembly Committee on Local Government on April 19, 2006.

County-sponsored AB 2870 (De La Torre), which would authorize the testing of defendants for contagious, communicable or infectious diseases when a prosecutor or public defender is assaulted by the defendant and thereby exposed to such diseases, was approved by the Assembly Public Safety Committee on its consent calendar. The measure proceeds to the Assembly Appropriations Committee.

County-sponsored SB 699 (Soto), which would change California's HIV Reporting System from code-based to name-based, was signed by the Governor on April 17, 2006, as is Chapter 20, Statutes of 2006. The Governor's signing message is attached.

We will continue to keep you advised.

Attachment

DEJ:GK MAL:JF:IGR:cc

c: All Department Heads
Legislative Strategist
Local 660
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations

Attachment



GOVERNOR ARNOLD SCHWARZENEGGER

APR 1 7 2006

To the Members of the California State Senate:

I am signing Senate Bill 699 to protect California's federal funding for vital HIV and AIDS services and to strengthen confidentiality protections of HIV and AIDS patient information. SB 699 implements a name-based HIV reporting system, which will conform California's reporting system to that of 40 other states and aligns it with current reporting systems for AIDS and other diseases in the state. SB 699 reflects collaborative efforts by my Administration, the Legislature, and stakeholders to help ensure Californians with HIV and AIDS have access to care, assure confidentiality and maintain access to anonymous HIV testing.

The signing of SB 699 and the prompt implementation of a name-based HIV reporting system will better position California against a potential loss of up to \$50 million in federal funding for HIV prevention efforts and critical health care services for Californians living with HIV or AIDS. I am directing the Department of Health Services to prioritize the implementation of SB 699 and to work with local health departments and providers to implement name-based HIV reporting expeditiously. We will continue to work in partnership with the Legislature and stakeholders as well as California's Congressional delegation to urge a transition period for converting to name-based reporting to ensure California receives its fair share of Ryan White CARE Act funding.

Maximizing federal Ryan White CARE Act funding is a high priority for my Administration, as it is critical to maintaining needed services, including access to life saving medications more than 25,000 Californians living with HIV or AIDS.

Arnold Schwarzenegger